(b) if so, the details thereof indicating the steps taken and being taken in that direction so far?

THE FINANCE MINISTER (SHRI YASHWANT SINHA): (a) during the 30th Annual Meeting of the World Economic Forum 2000, Finance Minister reinforced the Government's commitment to the ongoing economic reforms and initiatives. He also pointed out that globalization can lead to destabilization of economy and there was a need to follow the right domestic sector policy, especially in financial sector and manage external debt prudently. No specific plan was discussed.

(b) Does not arise.

Note submitted by ASSOCHAM on devolution of Funds to States

2048. SHRI CM. IBRAHIM: Will the Minister of FINANCE be pleased to slate:

(a) whether the Associated Chamber of Commerce and Industry has in a note submitted recently pointed that failure to fulfil a commitment by the Centre made in the 1997-98 budget to give a better deal to the States from the present 29% devolution, by way of amendment to the Constitution of India is resulting in a financial burden of Rs. 4,000 crore annually to the States;

(b) what was the precise allegation made by ASSOCHAM and what Constitutional Amendment was sought to be made; and

(c) what is Government's response thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) It is incorrect that the States have suffered a financial burden of Rs. 4,000 crore annually due to non-implementation of the Alternative Scheme of Devolution. The Alternative Scheme of Devolution as recommended by Tenth Finance Commission has been approved by the Government, with some modifications and the enabling Constitutional (89th) Amendment Bill, 2000 has already been introduced in the Lok Sabha on 9th March, 2000.

Tax Payers in the country

2049. SHRI SANATAN BISI: Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the total number of tax payers would cross 25 million by March, 2000; and

(b) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) No, Sir. As against 18.22, million assessees as on 1.4.1999, the total number of tax payers in the country as on 31.1.2000 stands at 20.59 million. It is unlikely that this number will cross the 25 million mark by 31.3.2000.

(b) The Department has launched a massive awareness campaign in the towns notified under the "One by Six Scheme", as a result of which, a large number of tax payers are likely to be added by the end of the current financial year.

Amendment to Insurance Act

2050. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the General Insurance Corporation has requested Government to amend the Insurance Act to enable Public Sector Insurance Companies to venture into the banking sector and compete with Banks and Financial Institutions in the wake of the opening of the insuranac sector for private participation; and

(b) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Sometime back, the General Insurance Corporation of India (GIC) had informally suggested to the Government to amend Section 27B(4) of the Insurance Act, 1938 to enbale GIC and its subsidiary Companies to invest more than the permissible limits in shares of banking/investment companies to acquire controlling interest. The GIC was asked to place the proposal before its Board. However, no formal request has been made by GIC in this regard.

Demonetisation of Higher Value Notes

2051. SHRI CP. THIRUNAVUKKARASU:
SHRI NANA DESHMUKH:
SHRI VP. DURAISAMY:

Will the Minister of FINANCE be pleased to state:

(a) whether ISI has been printing counterfait currency in the neighbouring countries to destabilise the Indian economy;